



CITY OF MEDICINE **CITY OF DURHAM | NORTH CAROLINA**

DATE: February 18, 2014

TO: Thomas J. Bonfield, City Manager

THROUGH: Wanda S. Page, Deputy City Manager

FROM: Bertha T. Johnson, Director of Budget & Management Services
Jim Reingruber, Principal Budget Analyst

RE: Request to amend the FY2013-14 Budget and other grant and capital project ordinance amendments.

EXECUTIVE SUMMARY

In the course of the fiscal year, certain adjustments to the operating budget ordinance are necessary. This is the second such amendment for FY 2013-14. In addition to an operating budget amendment, this item includes several grant project ordinance amendments, and capital (CIP) ordinance amendments.

RECOMMENDATION

The Administration recommends the City Council adopt a budget ordinance amending the City of Durham Budget Ordinance as amended, Fiscal Year 2013-14, the same being Ordinance #14486 to recognize new Transit funding for new services, provide for a debt refunding, and make a small transfer to correct allowable costs between the general fund and emergency telephone fund.

The Administration recommends the City Council adopt the FY 2008-09 Transit Planning and Capital Grant Project Ordinance (GPO) Superseding GPO # 13835.

The Administration recommends the City Council adopt the FY 2012-13 Transit Planning and Capital Grant Project Ordinance (GPO) Superseding GPO # 14526.

The Administration recommends the City Council adopt the FY 2013-14 5303 Metropolitan Transit Planning Grant Project Ordinance Superseding GPO # 14473.

The Administration recommends the City Council adopt the FY 2012-13 Section 104(f) and Section 133(b)(3)(7) Transportation Planning Grant Project Ordinance Superseding GPO # 14352.

The Administration recommends the City Council adopt the FY 2013-14 Section 104(f) and Section 133(b)(3)(7) Transportation Planning Grant Project Ordinance Superseding GPO # 14471.

The Administration recommends the City Council adopt an Ordinance establishing a Capital Improvements Project for Transit.

Finally, the Administration recommends the City Council adopt an Ordinance amending the Capital Improvements Project Ordinance as amended, the same being Ordinance #14464.

BACKGROUND

Any time an ordinance requires change, the revisions require City Council approval. Budget and Management Services typically brings two to four budget amendments forward each year. An amendment was done in the November 2013 which included amendments to the operating budget, several grant project ordinances, and the internal service fund spending plan resolution. This item is similar to the first amendment. Budget and Management Services attempts to combine amendments and small grants in a single agenda item for efficiency.

ISSUES/ANALYSIS

The following amendments are included:

As part of the FY 2013-14 budget process, new transit services were approved with the intent of using earmarked funding from the new motor vehicle and sales tax revenue sources. Now that these amounts are known, Triangle Transit will be sending the funds to the City. This amendment recognizes those funds. This adds \$471,200 to the Transit budget in the Transit Operating Fund.

Finance performed a routine debt refunding, and this amendment adjusts the budget accordingly. This increases the Debt Service Fund by \$4,238,370 and the Ballpark Fund by \$130,000.

As part of a year-end audit, \$100 spent out of the Emergency Telephone Fund was deemed ineligible. This transfer from the General Fund to the Emergency Telephone Fund is the method recommended by the NC Treasurer's Office to correct this issue.

The Department of Transportation is amending several grant project ordinances (GPOs). FY 2008-09 Transit Planning and Capital Grant is being amended to adjust for the mix between the grant and match amounts so it can be closed out. The net amount remains the same. Also, the FY 2012-13 Transit Planning and Capital Grant is being amended to account for an amount added to the grant for operating assistance. The net difference is \$23,607. The FY 2013-14 5303 Metropolitan Transit Planning Grant is being amended to adjust for the actual contract amounts.

The net adds \$85 to the grant. The FY 2012-13 Section 104(f) and Section 133(b)(3)(7) Transportation Planning Grant is being amended to reconcile actual end of year activity. The net decrease is \$1,385,446. The FY 2013-14 Section 104(f) and Section 133(b)(3)(7) Transportation Planning Grant is being amended to account for actual contract amounts. There is a net increase of \$115,476.

The CIP is being amended to add a new Fleet project for bus purchases for new DATA service. Funds are coming from the Durham Bus/Rail Investment Plan to fund the purchase of these ten new buses.

The General CIP ordinance is being amendment under the General Services section to allocate existing funds to the City Hall HR Suite Renovation. The Public Protection section is amended to identify specific revenues sources for an existing fire project. The Transportation section addresses the reallocation of street impact fees by specific zones for the existing Fayetteville/Buxton/Riddle Road improvement project. Finally, the Housing and Neighborhood Revitalization section of the CIP ordinance is being amended to correct the allocation of program income between projects. All changes are essentially technical corrections.

ALTERNATIVES

If the City Council does not approve these amendments, the ordinances will be incorrect.

FINANCIAL IMPACT

The approval of this budget amendment will appropriate \$100 from the General Fund fund balance to make the transfer to the Emergency Telephone Fund. All other operating amendments have their own revenue sources, so have no net financial impact.

The Grant Project Ordinances do not materially affect current year activities. They are simple corrections.

The CIP amendments do not have financial impacts. The Transit portion uses revenues approved in the Bus and Rail Investment Plan. The Housing portion simply moves funds to the correct master projects. Changes to the General Services, Public Protection and Transportation sections reallocate approved revenues and have net zero effect on total appropriations.

SDBE INFORMATION

Not applicable.

ATTACHMENTS:

- Budget Ordinance amending the City of Durham Budget Ordinance, Fiscal Year 2013-14, the same being Ordinance #14486.

- FY 2008-09 Transit Planning and Capital Grant Project Ordinance (GPO) Superseding GPO #13835.
- FY 2012-13 Transit Planning and Capital Grant Project Ordinance (GPO) Superseding GPO #14526.
- FY 2013-14 5303 Metropolitan Transit Planning Grant Project Ordinance (GPO) Superseding GPO # 14473.
- FY 2012-13 Section 104(f) and Section 133(b)(3)(7) Transportation Planning Grant Project Ordinance Superseding GPO # 14352.
- FY 2013-14 Section 104(f) and Section 133(b)(3)(7) Transportation Planning Grant Project Ordinance Superseding GPO # 14471.
- Ordinance establishing a Capital Improvements Project for Transit.
- Ordinance amending the Capital Improvements Project Ordinance as amended, the same being Ordinance #14464.